



MODERN STEELS LIMITED

Corporate Office : SCO 98-99, Sub City Centre, Sector 34, Chandigarh - 160 022
Registered Office & Works : G.T. Road, Mandi Gobindgarh (Punjab) - 147 301

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/HALF YEAR ENDED 30TH SEPTEMBER, 2011

₹ in Lacs

| PARTICULARS | Quarter Ended | | Half Year Ended | | Year Ended |
|--|-------------------------|-------------------------|-------------------------|-------------------------|-----------------------|
| | 30.09.2011 Unaudited | 30.09.2010 Unaudited | 30.09.2011 Unaudited | 30.09.2010 Unaudited | 31.03.2011 Audited |
| INCOME | | | | | |
| a) Net Sales/Income from Operations | 8648 | 7984 | 17395 | 16628 | 34655 |
| b) Other Operating Income | 10 | 5 | 22 | 16 | 39 |
| Total Income | 8658 | 7989 | 17417 | 16644 | 34694 |
| EXPENDITURE | | | | | |
| a) (Increase)/decrease in stock in trade and work in progress | 239 | (188) | 703 | (809) | (1095) |
| b) Consumption of raw materials | 4637 | 4045 | 9082 | 8771 | 18328 |
| c) Power and Fuel | 1240 | 1145 | 2407 | 2502 | 4989 |
| d) Consumption of Stores | 1222 | 1327 | 2524 | 2792 | 5831 |
| e) Employees cost | 343 | 328 | 670 | 635 | 1285 |
| f) Depreciation | 119 | 115 | 238 | 228 | 476 |
| g) Other expenditure | 514 | 615 | 1097 | 1317 | 2645 |
| Total Expenditure | 8314 | 7387 | 16721 | 15436 | 32459 |
| Profit from Operations before Other Income, Interest and Exceptional Items | 344 | 602 | 696 | 1208 | 2235 |
| Other Income | 89 | 55 | 159 | 116 | 228 |
| Profit before Interest and Exceptional Items | 433 | 657 | 855 | 1324 | 2463 |
| Interest | 406 | 297 | 775 | 575 | 1237 |
| Profit after Interest but before Exceptional Items | 27 | 360 | 80 | 749 | 1226 |
| Exceptional items | - | - | - | - | - |
| Profit from Ordinary Activities before tax | 27 | 360 | 80 | 749 | 1226 |
| Tax expense: | | | | | |
| - Current | 24 | 113 | 41 | 257 | 458 |
| - Deferred Tax | - | - | - | - | (55) |
| - Previous Year Tax adjustment | (1) | - | (1) | - | - |
| Add: MAT Tax Asset | - | - | - | - | - |
| Net Profit from ordinary activities after tax | 4 | 247 | 40 | 492 | 823 |
| Extraordinary Item (net of tax expense) | - | - | - | - | - |
| Net Profit for the period | 4 | 247 | 40 | 492 | 823 |
| Paid-up equity share capital | 1259 | 1196 | 1259 | 1196 | 1259 |
| Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year | - | - | 4451 | - | 4451 |
| Earnings Per Share (EPS) | 0.03 | 2.07 | 0.32 | 4.11 | 6.54 |
| a) Basic and diluted EPS before Extraordinary items (not to be annualized) | 0.03 | 2.07 | 0.32 | 4.11 | 6.54 |
| b) Basic and diluted EPS after Extraordinary items (not to be annualized) | 0.03 | 2.07 | 0.32 | 4.11 | 6.54 |
| Public Shareholding | | | | | |
| - Number of shares | 4743423 | 4743423 | 4743423 | 4743423 | 4743423 |
| - Percentage of shares | 38% | 40% | 38% | 40% | 38% |
| Promoters and promoter group shareholding | | | | | |
| a) Pledged/Encumbered | | | | | |
| - Number of shares | Nil | Nil | Nil | Nil | Nil |
| b) Non-encumbered | | | | | |
| - Number of Shares | 7848936 | 7220577 | 7848936 | 7220577 | 7848936 |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 100% | 100% | 100% | 100% | 100% |
| - Percentage of shares (as a % of the total share capital of the Company) | 62% | 60% | 62% | 60% | 62% |

Notes:

1. Statement of Assets & Liability as on 30th September, 2011

₹ in Lacs

| PARTICULARS | 30.09.2011 Unaudited | 30.09.2010 Unaudited |
|---|-------------------------|-------------------------|
| Shareholder's Funds | | |
| a) Capital | 1260 | 1197 |
| b) Reserves and Surplus | 4489 | 3975 |
| c) Application money received on share warrants | 64 | 115 |
| Loan Funds | 11078 | 9223 |
| Deferred Tax liability | 530 | 584 |
| Total | 17421 | 15094 |
| Fixed Assets | 5101 | 5553 |
| Investment | 703 | 305 |
| Current Assets, Loans and Advances | | |
| a) Inventories | 4700 | 4535 |
| b) Sundry Debtors | 7983 | 7101 |
| c) Cash and Bank Balance | 485 | 234 |
| d) Other Current Assets | 318 | 264 |
| e) Loans & Advances | 1190 | 1064 |
| TOTAL CURRENT ASSETS | 14676 | 13198 |
| Less : Current Liabilities & Provisions | | |
| a) Current Liabilities | 2849 | 3719 |
| b) Provisions | 210 | 243 |
| TOTAL CURRENT LIABILITIES | 3059 | 3962 |
| Net Current Assets | 11617 | 9236 |
| Total | 17421 | 15094 |

- As per Accounting Standard - 17 "Segment Reports" the Company is engaged in steel products only, hence no segment reporting is required.
- The Company had no investor complaint pending as on beginning of the 2nd quarter. There were five complaints received during the quarter ended 30th September, 2011 and all of these were disposed off.
- The Auditors have carried out a Limited Review of the financial results for the quarter ended 30th September, 2011.
- In the above results, the Company has not reinstated its foreign exchange liability to the tune of US \$ 50.98 Lacs. Had this liability been reinstated at prevailing exchange rate as on 30th September, 2011, the above said liability will increase by ₹172 Lacs and profitability will be affected to that extent. The Management is of the opinion that this foreign exchange loss is contingent in nature and will be considered appropriately at the time of payment of the same or at the end of the financial year. The Auditors have made a remark in their limited review report.
- The provision for deferred tax shall be made at the end of the financial year.
- Previous Year figures have been recasted/ regrouped wherever necessary.
- The above results were taken on record at the Board Meeting held on 14th November, 2011.

For and on behalf of the Board

Krishan Kumar Goyal
Managing Director & CEO

Place : Chandigarh
Dated: 14th November, 2011